



BUSINESS GUYANA

INVESTORS' ROADMAP INVESTING MADE EASY

Guyana's business startup climate has warmed for investors eager to participate in one of the Caribbean region's most dynamic economies. The following outlines in a brief yet comprehensive format of the **10 essential steps** to opening a business in Guyana.



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RESEARCH AND RISK ASSESSMENT

Preliminary research has brought Guyana's many wonderful attributes into clear focus to the extent that a potential investor can now readily contemplate setting up a business here. The next step in the research process is to gather the information needed to ensure the investment decision is worthwhile and feasible. The following sources provide the solid starting point to consult and gather the information to make a confident decision. They include:

Go-Invest: Guyana's main investment agency.

Your country of origin's embassy, high commission or consulate offices.

Chamber of Commerce or sector-specific organisation.

Business investment consultancies and accounting firms.

Guyana Americas Merchant Bank Inc.

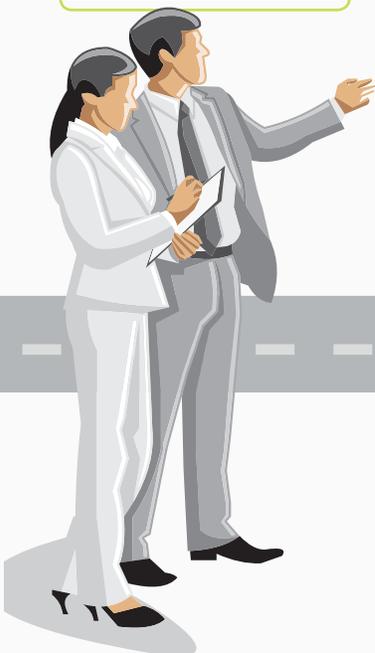
National budgetary presentation, as prepared by Guyana's Ministry of Finance.

Go-Invest is a highly recommended starting point for this phase of the research. The agency can provide a broad spectrum of information including profiles of investment opportunities as well as available concessions and incentives. Agency representatives can assist in running through the entire investment process, including the coordination of joint ventures along with establishing links to important stakeholders and agencies. Go-Invest also can assist exporters with trade information and export promotion and provide the information on relevant laws pertaining to the nature and form of the business investment.

The table below summarizes the body of Guyana law that is most relevant to investment-related business activity in the country.

GUYANA LAWS RELEVANT TO INVESTMENT ACTIVITY

TITLE	PURPOSE
Bank of Guyana Act (Chapter 85:02)	Central Bank regulations
Business Names (Registration) Act (Chapter 90:05)	Registration and use of business names
Capital Gains Act (Chapter 81:20)	Taxation on capital gains
Companies Act (Chapter 89:01)	Business regulations
Competition & Fair Trading Act (2006)	Competition and fair trading regulations
Copyright Act (1956)	Protection for copyright
Corporation Tax Act (Chapter 81:03)	Taxation on corporate income
Deeds Registry Act (Chapter 5:01)	Purchasing and leasing of private land
Environmental Protection Act (Chapter 20:05)	Environmental regulations
Financial institutions Act (Chapter 85:01)	Commercial banks and other financial institutions regulations
Fiscal Management & Accountability Act (2003)	Accountability and transparency
Gambling Prevention Act (Chapter 9:02)	Restrictions on gambling
Hours and Holidays Act (Chapter 95:02)	Labour related issues
Income Tax Act (Chapter 81:01)	Taxation on income
Income Tax (In Aid of Industry) Act (Chapter 81:02)	Taxation
Investment Act (2004)	Investment regulations
Labour Act (Chapter 98:01)	Labour related issues
Land Registry Act (Chapter 5:02)	Purchasing and leasing of private land
Mining Act (Chapter 65:01)	Mining regulations
National Insurance Act (Chapter 36:01)	Labour related issues
Occupational Health and Safety Act (Chapter 99:10)	Accident prevention, risk mitigation
Partnership Act	Partnership regulations
Patent & Design Act (Chapter 90:03)	Registration, use and protection of patents
Petroleum Act (Chapter 92:01)	Regulations on petroleum
Petroleum (Exploration and Production) Act (Chapter 65:10)	Regulations on exploration and production
Prevention of Discrimination Act (Chapter 99:09)	Equal employment opportunity
Property Tax Act (Chapter 81:21)	Taxation on property
Revenue Authority Act (Chapter 79:04)	Taxation agency
Revenue Authority Amendment Act (2006)	Taxation agency
Securities Industry Act (Chapter 73:04)	Stock market regulations
Small Business Act (2004)	Small business regulations
Termination of Employment and Severance Pay Act (Chapter 99:08)	Labour related issues
Trade Act (Chapter 91:01)	Import and export control and licensing
Trade Mark Act (Chapter 90:01)	Registration, use, protection of trade marks
Trade Union Recognition Act (Chapter 98:07)	Labour related issues



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ENTRY AND REGISTRATION

Foreign Firms

They are special provisions for firms incorporated outside of Guyana, or what are called “external companies” in the Company’s Act. Additional information and documentation must be filed including the country within which the company was incorporated; its name, manner of incorporation, corporate instruments and the extent to which the liability of the shareholders/members of the company is limited. There is also a different fee structure.

Trade Mark Registration

For companies needing to protect specific trade names, invented words and other distinctive marks, an application to the Registry of Patents, Designs, and Trade Marks is required. The Registry will check for any previously registered trademark for similarities and if none is found, it will be published in the gazette for public scrutiny. After one month, if there are no contested issues filed, the applicant will be approved for a certificate of registration, which is good for seven years and can be renewed indefinitely every 14 years thereafter.

For ease of navigating the registration process, it is strongly recommended that investors utilise the services of an attorney licensed to practice in Guyana.



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REGISTRATION WITH TAX AGENCIES

The next step is to register the newly formed company with the statutory tax agencies, namely Guyana Revenue Authority (GRA), the National Insurance Scheme (NIS) and the respective municipal authorities.

GRA

All firms must register with the GRA to receive a Taxpayer Identification Number (TIN), which is required to conduct business with any government and public entities. To apply, representatives can complete registration at GRA Headquarters at 200-201 Camp Street, Georgetown or at any GRA Regional Office in Guyana. The GRA collects taxes of the following types: value added, income, corporation, property, capital gains, professional fees, withholding, premium, travel voucher, environmental and excise.

NIS

All firms must also register with NIS, the national social security organization, to obtain a unique registration number. The application process can be readily completed at any NIS office.

Companies must file monthly contributions for their employees. Self-employed individuals must also file monthly returns on their earnings. The total contribution is calculated at 14 per cent of the actual wage/salary paid to the employee and is derived by a 5.6 per cent deduction from the employee’s pay and the remaining 8.4 per cent portion by the employer on behalf of the employee.

The actual wage/salary is, at present, subjected to a ceiling of \$GY158,159 per month (\$GY36,498 per week).

The self-employed person contributes 12.5 percent of his/her declared earnings as contributions.

Municipal Authorities

There are six municipalities in Guyana: Georgetown, Anna Regina, New Amsterdam, Corrivertown, Rose Hall, Linden. Companies are required to pay the duly outlined rates and taxes, including property taxes. Companies can register at the respective municipal office.



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FINANCING

There are several options for locally based financing in Guyana. Guyana has six private commercial banks with operations spread throughout the country:

Republic Bank

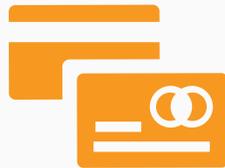
Citizens Bank

GBTI

Bank of Baroda

Demerara Bank

Scotia Bank



These banks provide many services, with loan interest rates, averaging around 11 per cent.



The Guyana Americas Merchant Bank provides loans in both U.S. and Guyana currency. The Merchant Bank also provides investment management services including securities underwriting and securities trading on the local stockexchange, the Guyana Association of Securities Companies and Intermediaries Incorporated (GASCI). Of course, the GASCI is an option to raise financial capital for the business by way of official listing on the Stock Exchange.



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SITE DEVELOPMENT

At this stage, the investor and business principals are ready to develop the acquired land or property to establish operations. This process, as standard in any country, entails key steps, approvals and permits. In Guyana, the process includes the following:

1. Find a reputable architect to design and complete architectural renderings of the proposed building. All permits and approvals are contingent upon these blueprints.
2. Completed renderings and plans are submitted to the engineers department of the regional municipality or town council for review and approval. The review encompasses factors including spacing, sanitation and disposal facilities, drainage, boundaries, lighting, ventilation, structural soundness, and others.
3. Once plans are approved and the Council agrees with the recommendations of city engineers, the application is then passed onto the Central Housing & Planning Authority (CHPA). The CHPA will request multiple copies to distribute to various permit agencies, where applicable.
4. After CHPA has received notification and approvals from the relevant permit agencies, it approves the plans and returns them to the municipality.
5. The municipality then issues a building permit to commence construction. The permit is usually valid for two years.
6. Find a reputable construction firm to carry out the project. The architect or the local Chamber of Commerce can recommend a few for consideration, as based on specifications.
7. Once construction has commenced, a business principal must inform the city engineers department within 30 days from the beginning of construction and again once the construction is completed.

Permit agencies include, but are not limited to the following: Guyana Fire Service Department, Occupational Safety and Health Authority, Environmental Protection Agency, Food and Drugs Department, Public Health Department and Guyana National Bureau of Standards.

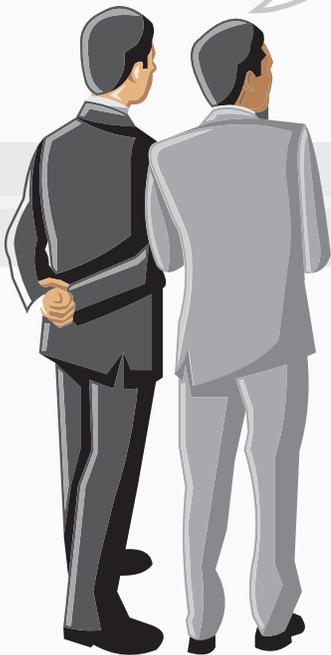
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UTILITIES

During, before or after construction, utility services can be established and coordinated through the following entities: **The Guyana Telephone & Telegraph Company Ltd (GT&T)**, Digicel, and **E-Networks**, for landline phone, voice, cellular connections and data.

There also are other providers of Internet connectivity that can be found in the yellow pages of the GT&T telephone Directory or by contacting the local Chamber of Commerce.

Other important utility providers include the **Guyana Power & Light Inc. (GPL)** for electricity, and **Guyana Water, Inc.**, for water. For businesses in Linden, there is the **Linden Power Company** that supplies electricity.



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IMPORTATION OF GOODS AND MATERIALS

All items imported for the new business must pass through the **Customs Department of the Guyana Revenue Agency (GRA)**. While one can navigate this process without assistance, a registered customs broker can prove effective in expediting the process, saving time and money.

For individuals pursuing the process independently, the required documents include bill of lading/airway bill, invoice, completed declaration (Form C 72), Taxpayer Identification Number (TIN), and permits or licences, as applicable. Other documents to support the transaction (i.e., valuation) should be attached.



The process also includes the following steps.

- The importer, consignee, broker or agent lodges the required documents for vetting at the customs lodging area in GRA's headquarters. If documents are not in order, they are returned to the importer, consignee, broker or agent for required revisions. A lodgment number is assigned to the completed set of documents and the entry will then be processed usually in one day, but may take up to three to five days, especially for a large shipment of multiple items.
- If the payment is greater than \$GY30,000 the importer, consignee, broker or agent is issued an assessment notice which is paid at the office where tax assessments are satisfied. After payment, the broker or investor receives official receipts and copies of the entry before proceeding to the Transit Shed (T/Shed), where the goods are stored and the shipping agent will release goods once the receipts and entry are presented for claiming the shipment. The officer-in-charge arranges for the transferring of goods to be examined prior to final release. The physical goods inventory is checked against the items listed in the invoice. As experienced investors soon discover, the customs protocol in Guyana is similar to many other countries. Rather than inspecting every single item in a claim lot, customs officers employ risk-profiling techniques in which random checks may be conducted even if the risk profile is low for a particular item. The percentage of items to be examined is determined by criteria identified in the Total Revenue Integrated Processing System (TRIPS).
- Once all documents and inspections have been completed, the importer, consignee, broker or agent obtains delivery of the goods and the documents are stamped for release.

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INSURANCE

Insuring investor and owner assets is an important part of the business startup process and Guyana offers several channels for handling insurance needs. These include **the Guyana & Trinidad Mutual Fire & Life Insurance Companies (GTM), the Hand-in-Hand Group of Companies, North American Life Insurance Company Limited, Demerara Mutual Assurance Society, Caricom General Insurance Company and Assuria Life, Inc.** Companies unfamiliar or unsure about which firm to use for insurance needs are encouraged to contact a well-known insurance brokerage firm.



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HIRING EMPLOYEES

Guyana's workforce is advantageous for its youthful energy, its large skills base in a variety of agricultural and manufacturing industry sectors and its capacity to adapt to and adopt technologies that are critical to today's economies. Job postings are most widely disseminated in local newspapers and their popular classified advertising sections, especially for quick response from qualified applicants. The country's daily newspapers include **Stabroek News, Kaieteur News, Guyana Times and Guyana Chronicle.**



Another option is to procure the services of a local recruitment agency and some accounting firms coordinate and facilitate activities for hiring. The local **Chamber of Commerce and Guyana's Ministry of Labour** do effective advocacy for identifying solid job candidates.

GRAND OPENING

As in many other countries, when all of the steps have been completed in preparing a new business, Guyana's communities enthusiastically celebrate a grand opening.

There are professional marketing and public relations agencies which can help facilitate event planning but in instances where cost management is important, key business personnel can do much to plan their own grand openings.

A well-established grand opening protocol in Guyana includes elements that are familiar to many other countries. Companies, of course, should prepare media materials and make available press kits to all local and national media. They should procure the services of a master of ceremonies and confirm guest speakers who represent as comprehensive a spectrum of signatories and important stakeholders in the community. A grand opening also is an ideal platform to showcase Guyana's expertise in making an event as festive as possible, including catering, event programmes and ceremonial features such as a ribbon cutting or activities in which the community can directly participate in as relevant to the new business.

